

City of Edmonds Disability Board

Effective: Approved by the Board at the October 20, 2016 and at the July 19, 2018

meeting

<u>SUBJECT: REIMBURSEMENT OF MEDICAL SERVICE EXPENSES AND/OR MEDICAL EQUIPMENT COSTS*, #11-16</u>

The City of Edmonds' Disability Board designates the medical services available to members of the LEOFF 1 (persons who establish members in the retirement system on or before September 30, 1977) to include the following medical services in addition to those noted in RCW 41.26.030 (22).

GENERAL RULE. The Disability Board will authorize payment of reasonable expenses for necessary medical services and supplies incurred by a LEOFF 1 member. Decisions will be made on a case-by-case basis, although the Board will adopt general policies addressing certain frequently recurring medical claims. Any LEOFF 1 member who is unsure whether particular medical services or supplies are covered by the LEOFF 1 program is encouraged to petition to the Board before the costs are incurred.

EMPLOYER'S INSURANCE PLAN. As the City provides an insurance plan to LEOFF 1 members with a coverage benefit under the group hospitalization and medical aid insurance plan, a LEOFF 1 member seeking medical services or supplies must attempt to do so in a manner that allows for coverage under the insurance plan. If the Board determines that the LEOFF 1 member could have obtained reasonable equivalent services or supplies through the insurance plan and that the LEOFF 1 member failed to do so without good reason, reimbursement will not be authorized.

OTHER SOURCES OF COMPENSATION. The amount that the Disability Board awards for medical services/and or medical equipment will be reduced by any amount that the member receives, or is eligible to receive, from workers' compensation, social security, insurance provided by other employers, or other pension plans, Medicare, or other similar sources. "For the purpose of this policy, eligible means that a member could be reimbursed by the employer for premiums or could submit a member paid premium to the Disability Board for approval of payment." Therefore, a member who is eligible for compensation from one of these other sources, but who does not apply for its benefits, will have his/her medical benefits under LEOFF 1 reduced by the amount that would have been paid by the other source. There will be no such reduction, however, if the member presents a claim to the other source and that other source provides justification for refusal of payment.

It is the policy of the Disability Board to purchase supplies, materials, equipment and services at the most reasonable price as soon as reasonably possible. This procedure

is designed to assure the establishment of a competitive price, selection of the lowest qualified/responsible bidder, while meeting the LEOFF 1 Retiree's needs and expectations

- Pre-authorization from the Board prior to the acquisition of the goods and/or services is required for items with an expense of \$500.00 or more in addition to documentation of medical necessity from the LEOFF 1's medical provider.
- No price quotes are required for purchases under \$500.00, but requests for reimbursement in the amount of \$500.00 or less must still be accompanied by documentation of medical necessity from the LEOFF 1's medical provider if not covered by Medicare and/or the City's medical insurance and/or any other medical insurance the LEOFF 1 retiree may have coverage through.
- In cases where the cost of acquisition of the goods and services exceeds \$500.00, three (3) quotes are required on all purchases of \$500.00 or more. The number of vendors contacted may be reduced if the item being sought is only available from one or two vendors. The LEOFF 1 Disability Board will reimburse the lowest qualified bid unless there is proof of extenuating circumstances (documented by the LEOFF 1 Retiree's medical provider) as to the medical necessity of the non-lowest priced, qualified bid.
- Replacement costs for medical equipment will only be covered if any current medical equipment being used cannot be reasonably repaired and must be supported by documentation from the medical provider of medical necessity.

NOTE: Any special needs above and beyond the dollar amount set in this policy are subject to appeal by the LEOFF 1 member to the City of Edmonds Disability Board with appropriate medically necessary documentation. This policy will be reviewed by the Disability Board on an annual basis.

*Includes visual aids and/or adaptive devices, but excludes hearing aids